

# ESG Credit Indicator Report Card: Consumer Products

August 23, 2023

(Editor's Note: S&P Global Ratings is no longer publishing or updating ESG credit indicators. See [https://www.spglobal.com/\\_assets/documents/ratings/esg\\_credit\\_indicators\\_mr.pdf](https://www.spglobal.com/_assets/documents/ratings/esg_credit_indicators_mr.pdf) for more information.)

We are disclosing in this report our ESG credit indicators for the global consumer products sector. Our ESG credit indicators provide additional disclosure and transparency at the entity level and reflect our opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are applied after the credit rating has been determined. They are not a sustainability rating or an S&P Global Ratings ESG evaluation.

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Sector Snapshot – Consumer Products

Most Influential ESG Factors



**Governance structure**  
The governance structure of more than one-third of issuers reflects corporate decision-making that prioritizes the interests of the controlling owners, in line with our view of the majority of rated entities owned by private-equity sponsors.

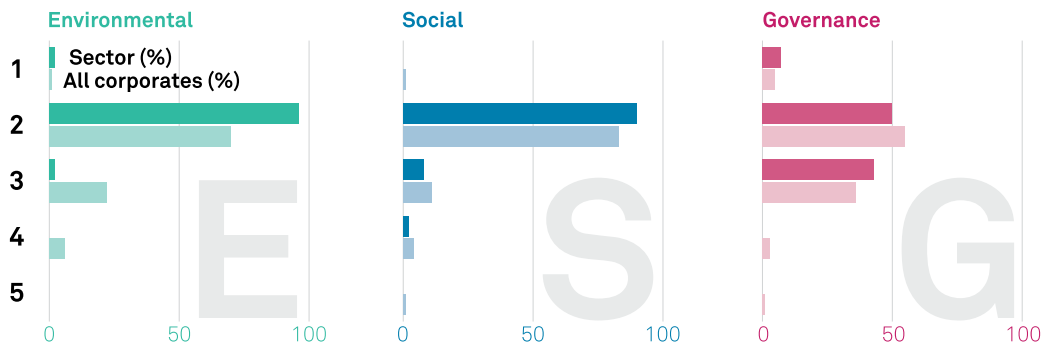


**Risk management, culture, and oversight**  
An entity's ability to identify, monitor, select, and mitigate the risks it takes, and the extent to which these risks are contained within the entity's risk appetite influence about 11% of ratings.



**Health and safety**  
About 10% of ratings were influenced by health and safety opportunities and risks; in particular, the risks associated with adherence to social distancing regulations during the COVID-19 pandemic.

Distribution Of ESG Credit Indicators



1 = positive | 2 = neutral | 3 = moderately negative | 4 = negative | 5 = very negative.  
Our opinion of the influence of ESG factors on our credit rating analysis is reflected on a 1-5 scale. Source: S&P Global Ratings.  
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## Key Takeaways

- Environmental risks are typically a neutral consideration in our credit analysis of consumer products, including branded consumer durables. Less than 5% of issuers' credit quality is moderately negatively influenced by waste and pollution, physical risks, and climate transition risk. Our analysis of a small handful of consumer products issuers was positively influenced by their business model and product choices, which enable a proactive approach to environmental risks for their customers, counterparts, and end consumers.
- Social risk most frequently influences our analysis of consumer products companies in the form of consumers' increasing demand for products that promote health and wellness. Our analysis of the credit quality of 9% of issuers, including tobacco companies, is influenced by health and safety. Recently, the health and safety of employees and customers during the COVID-19 pandemic has had a material impact on credit quality. Nevertheless, most issuers have rebounded strongly due to consumers' resiliency.
- More than one-third of issuers in the consumer products sector have fair management and governance assessments, yet were controlled by private-equity firms, which contributed to a significant portion of the governance indicator assessments being in the G-3 category.
- On the positive side, a number of multinational brand owners had a G-1 assessment, reflecting strong management and governance scoring, not least in the areas of strategic preparedness for systematically taking a lead on environmental and social risks.

## Our ESG Credit Indicators

Table 1

### Environmental Credit Indicators

Credit indicator	Definition
E-1	Environmental factors are, on a net basis*, a positive consideration in our credit rating analysis, affecting at least one analytical component§.
E-2	Environmental factors are, on a net basis*, a neutral consideration in our credit rating analysis.
E-3	Environmental factors are, on a net basis*, a moderately negative consideration in our credit rating analysis, affecting at least one analytical component§.
E-4	Environmental factors are, on a net basis*, a negative consideration in our credit rating analysis, affecting more than one analytical component§ or one severely.
E-5	Environmental factors are, on a net basis*, a very negative consideration in our credit rating analysis, affecting several analytical components§ or one very severely.

\*\*On a net basis" means that we take a holistic view on exposure to environmental factors and related mitigants. §Analytical components include criteria scores and subscores (including the key analytical elements to assess them). "Affecting" means leading to a different outcome for an analytical component or lower/higher headroom for an analytical component.

In our ESG credit ratings criteria "Environmental, Social, And Governance Principles In Credit Ratings," Oct. 10, 2021, we articulate the principles that S&P Global Ratings applies to incorporate environmental, social, and governance (ESG) credit factors into its credit ratings analysis. In that criteria we define ESG credit factors as those ESG factors that can materially influence the creditworthiness of a rated entity or issue and for which we have sufficient visibility and certainty to include in our credit rating analysis. We note that when sufficiently material to affect our view of creditworthiness, ESG credit factors can influence credit ratings.

In our commentary "ESG Credit Indicator Definitions And Application," Oct. 13, 2021, we discuss the introduction of ESG credit indicators as a complement to our existing credit rating analysis. Whereas our ESG criteria seek to enhance transparency in how and where we capture ESG factors in credit ratings, our ESG credit indicators provide additional disclosure by reflecting our opinion of how material the influence (on a 1-5 scale) of ESG factors is on our credit rating analysis. We assess these indicators on a net basis, meaning that we take a holistic view of exposure to environmental, social and governance factors and related mitigants on the credit rating analysis. They are applied after the rating has been determined. They are not a sustainability rating or an S&P Global Ratings ESG evaluation.[1]

Accordingly, the application--or change--of an ESG credit indicator cannot in itself trigger a credit rating or outlook change. However, the impact of ESG factors on creditworthiness could contribute to a rating action, which in turn could lead to a change in the ESG credit indicator. Through the release of ESG credit indicators, we aim to further delineate and summarize the relevance of ESG factors to our credit analysis by isolating our opinion of their credit influence and separating it from the non-ESG factors affecting the credit rating.

The scale for environmental credit indicators is identical for social and governance credit indicators. It has a negative skew, which reflects our view that environmental, social and governance considerations (including risks outside of a company's control) have a negative influence more often than a positive one. An ESG credit indicator of E-2, S-2, or G-2 means that it is currently a neutral consideration in our credit rating analysis. This does not necessarily mean that ESG factors

are not relevant, rather that they are currently not sufficiently material to alter the credit rating analysis or that positive ESG considerations are offset by ESG-related risks.

Also, entities may have identical ESG credit indicators, even if they diverge on ESG characteristics and performance. This may be the case because we only incorporate in our credit rating analysis those ESG factors that materially influence creditworthiness and for which we have sufficient visibility and certainty or because the differentiation in ESG characteristics is not in our view sufficiently material to warrant a different ESG credit indicator outcome.

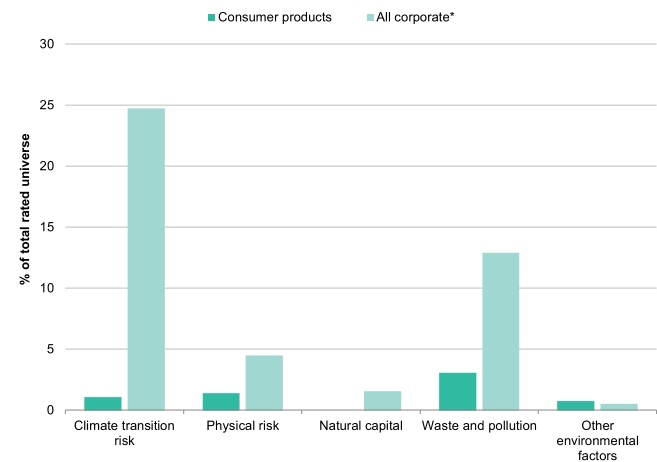
[1] ESG credit indicators are separate and distinct from S&P Global Ratings ESG evaluations. An S&P Global Ratings ESG evaluation is not a credit rating or component of our credit rating methodology. Rather, it indicates our view of an entity's relative exposure to observable ESG-related risks and opportunities, and our qualitative opinion of the entity's long-term sustainability and readiness for emerging trends and potential disruptions. Moreover, the ESG evaluation considers the impacts and dependencies on the environment and society across the value chain for a wide range of stakeholders, regardless of current credit materiality. (For more on ESG evaluations, see "Environmental, Social, And Governance Evaluation Analytical Approach," Dec. 15, 2020.)

Sector Overview

Environmental Credit Factors

Chart 1

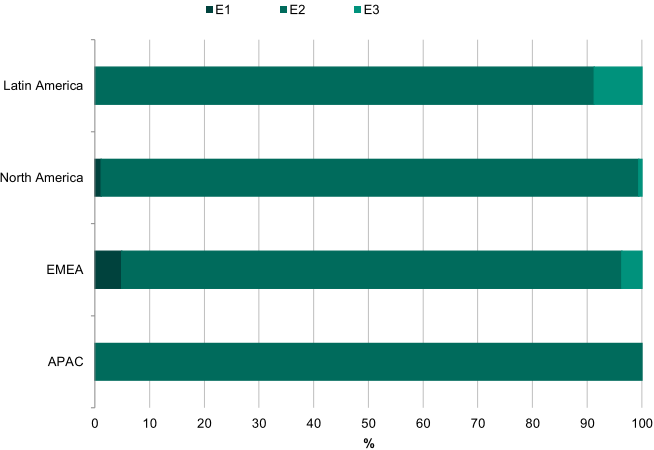
Key Environmental Factors Distribution



\*Estimate as of publishing date. Source: S&P Global Ratings.  
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Chart 2

Environmental Credit Indicators--Breakdown By Region



Source: S&P Global Ratings.  
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Environmental factors have a neutral influence on the vast majority of our credit rating analysis of branded consumer durables, non-durables, and tobacco. Consumer products companies face energy transition risk in their distribution and manufacturing footprints. However, the branded nature of the products drives pricing power, which will likely enable issuers to pass on costs of making investments in sustainable manufacturing facilities, packaging, and logistics. Although branded food companies' sourcing of agricultural commodities will likely face physical climate-related risks, these costs typically account for a low share of companies' overall cost of sales, and do not materially influence our credit outlook on profit margins and cash flow stability. Tobacco companies, which face similar agricultural climate risks, also have pricing power to offset higher sourcing costs.

The global antiplastic movement is an outcome of inherent environmental risks, which have so far not translated into far-reaching or quantifiable government policy actions. Still, we believe it is subject to the evolution of policymaking across the world. Over the medium-to-long term, it is possible that regulatory action on waste management will impose a cost on the industry for switching to more environmentally friendly packaging, but consumer product companies are typically able to pass on cost increases to retailers and the end consumers with a lag. Many companies are already taking steps to reduce, reuse, and reinvent packaging. Apparel manufacturers are aiming to limit exposure to new regulatory requirements by focusing on product sustainability; for example, by using recycled materials, and investing in technologies that reduce raw materials, synthetic fabrics, water usage, and chemicals in the manufacturing process.

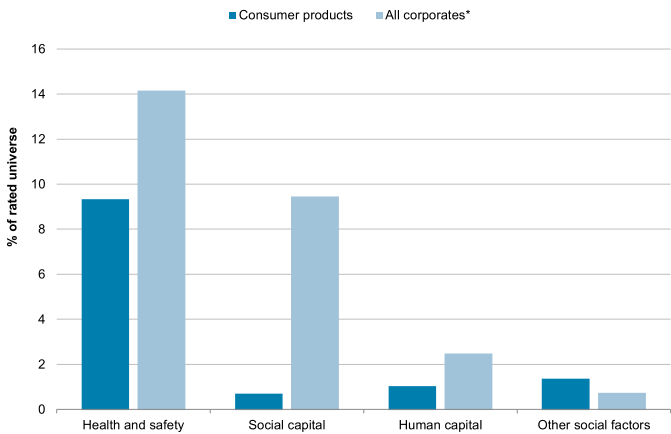
Consumer durables face environmental risk due to hazardous and non-hazardous solid waste

generation and energy use in the manufacturing and life of the products. Refrigerators, for example, can release harmful chemicals when disposed. In addition, energy-using durables such as kitchen appliances and electronic equipment can contribute significantly to environmental degradation, as they are one of the fastest-growing sources of residential energy use. Manufacturers continue to innovate and market newer, more efficient models, which typically are more profitable.

Social Credit Factors

Chart 3

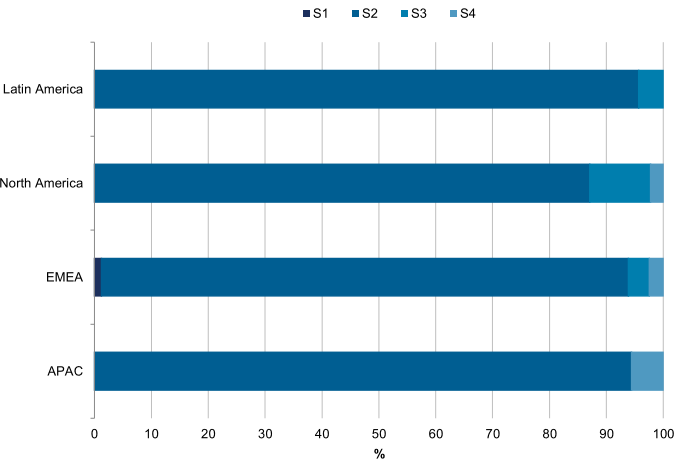
Key Social Factors Distribution



\*Estimate as of publishing date. Source: S&P Global Ratings. Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

Chart 4

Social Credit Indicators--Breakdown By Region



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Social factors have a neutral influence on the vast majority of our credit rating analysis of branded consumer durables and nondurables. We believe the tobacco sector has the highest social risk in the sector given the widespread awareness of the adverse health effects of smoking and its impact on health care costs and resources. While the sector already faces stringent regulatory requirements and restrictions on the promotion, marketing, packaging, labeling, and usage of tobacco products, we expect regulatory risk will continue to weigh on the sector. The secular decline of traditional cigarette usage is accelerating because of a combination of health concerns, increasing regulations in developed markets, and greater availability of reduced-risk products. Companies' operating performance and credit metrics could deteriorate if the decline in cigarette usage accelerates further and they cannot offset the impact with price increases or alternative reduced-risk tobacco products to diversify earnings and mitigate their exposure to combustibles. See "Tobacco Companies Need More Balance Sheet Flexibility As Persistent Regulatory Overhang Casts A Cloud", Oct. 5, 2021, for more details.

## Health and safety (9% of issuers affected)

Consumers are increasingly focused on health and wellness, which has resulted in a loss of market share for categories such as carbonated nonalcoholic beverages and cereal. This is partially due to the additives, preservatives, sugar content, and chemicals linked to health issues. Rising obesity rates--now considered a worldwide public health issue--have been linked to greater consumption of the additives and preservatives found in many processed foods and beverages. The COVID-19 pandemic increased demand for products perceived as supporting health and wellness. Nevertheless, consumers' continued desire to indulge offsets some of these trends. Packaged food and beverage companies can limit the risk of shifting consumer preferences by diversifying portfolios to include products that are perceived to be healthier. Therefore, negative social risk associated with these trends is not common in the nondurables sector, and is limited to a small number of companies with a high degree of concentration in an unhealthy category and in geographies (typically developed markets) where sales volumes for such products such as sugary drinks are in decline.

Packaged foods face challenges related to health and safety as consumers shift buying patterns to favor fresh products. Consumer products companies are therefore investing more in innovation, reformulating products, increasing transparency on labels, and engaging in merger and acquisition activity to find ways to accelerate sales growth and keep pace with consumers' growing demand for products that promote health and wellness.

Governments' regulatory mandates intended to promote healthy lifestyles pose relatively low incremental risk to most consumer products companies because product innovation has always been imperative in maintaining relevance with consumers. To encourage healthier choices, governments are providing educational programs and food guidelines, implementing mandatory labeling, and, in some regions, imposing taxes (for example, on sugary drinks). Governments are also stepping up efforts to reduce alcohol consumption because of its impact on health and safety.

Other risks in the industry include social media marketing, which we consider an area of potential social risk due to emerging data privacy laws and because of growing consumer sensitivities around factual accuracy and respectful attitudes to different social groups. Safety management is also a relevant factor for the industry given the risks to reputation and profitability from product recalls. This risk is partially offset by regulatory requirements, corporate focus on preserving brand equity, and by the relatively small volume impact from any product batch entering the market.

Apparel manufacturers face social risk in their labor supply chain. Reports of child or forced labor can damage brand reputation and draw regulatory scrutiny that results in financial consequences. Issuers have intensified their efforts to gain more visibility of their supply chains to limit the likelihood of unfair labor practices or poor working conditions impairing brand value.

Many large multinational players in the consumer goods sector that benefit from excellent or strong business risk profiles, have well-established sustainability strategies and action plans. Their global reach and strong margins have enabled them to make significant investments in their supply chain and scale up production of sustainable products, new technology, and business practices.

The neutral environmental and social risk indicators for these companies reflect our view that the materialization of significant physical and social risks has been so far slow in the sector. This has enabled competitors with a less-advanced approach to sustainability to maintain their market shares and profitability. As a result, we have not yet widely observed sustainability leadership

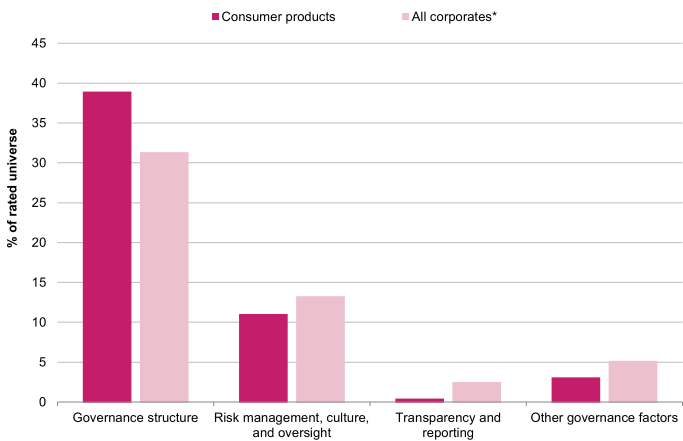
translating into a stronger competitive advantage for industry players. In particular, price-based local and regional competition remains a major factor.

Nevertheless, we recognize that the pace at which environmental risks are materializing (especially through regulatory action) is accelerating and could significantly alter the competitive landscape. We recognize that consumer products industry leaders with business risk scores of excellent or strong have a robust (or, in some cases, exceptional) degree of preparedness for the shifting economics and demand patterns brought about by environmental risks. This extends to their product design, marketing practices, and the entire supply chain. We believe that these companies are well placed to maintain their inherent capacity to grow profitably through the cycle, which is what we reflect in the business risks of excellent or strong. We will continue to re-assess the regulatory environment affecting consumer goods companies, as well as the degree to which it affects the bases of competition in the industry.

Governance Credit Factors

Chart 5

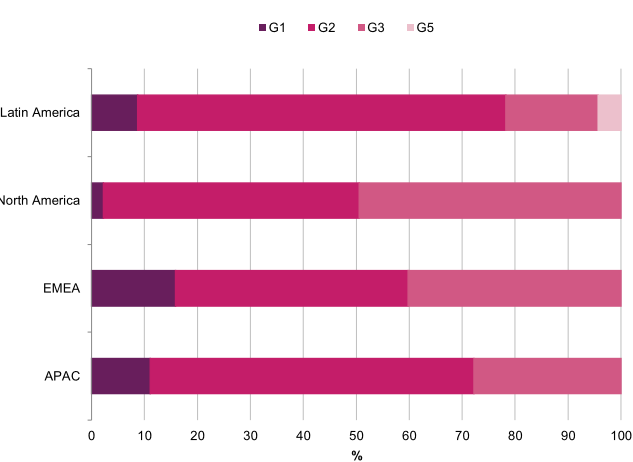
Key Governance Factors Distribution



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Chart 6

Governance Credit Indicators--Breakdown By Region



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Governance structure (39% of issuers affected)

More than one-third of issuers in the consumer products sector have fair management and governance assessments, yet were controlled by private-equity firms, which contributed to a significant portion of the governance indicator assessments being in the G-3 category. This is because we believe that these companies' highly leveraged or aggressive financial risk profiles point to corporate decision making that prioritizes the interests of the controlling owners, given the focus on maximizing shareholder returns and often finite holding periods.



## Risk management, culture, oversight (11% of issuers affected)

Most of the affected issuers have strong management and governance scores that reflect our positive assessment of management's ability to identify, monitor, select, and mitigate the risks it takes. Such positive credit influence translates into a governance credit indicator of G-1.

## ESG Credit Indicators By Issuer

Table 2

### ESG Credit Indicators By Issuer For North America

Issuer	Credit indicator			ESG credit factors
	E	S	G	
8th Avenue Food & Provisions Inc.	E-2	S-2	G-2	N/A
ACCO Brands Corp.	E-2	S-2	G-2	N/A
Advantage Solutions Inc.	E-2	S-2	G-3	Governance structure
Alliance Laundry Holdings LLC	E-2	S-2	G-3	Governance structure
Altria Group Inc.	E-2	S-4	G-2	Health and safety
American Greetings Corp.	E-2	S-2	G-3	Governance structure
AMS Intermediate Holdings LLC	E-2	S-2	G-3	Governance structure
Anastasia Holdings LLC	E-2	S-2	G-3	Governance structure
Aramark	E-2	S-3	G-2	Health and safety
Arctic Glacier Group Holdings Inc.	E-2	S-2	G-3	Governance structure
ARS Intermediate Holdings LLC	E-2	S-2	G-3	Governance structure
Arterra Wines Canada Inc.	E-2	S-2	G-3	Governance structure
Aspire Bakeries Holdings LLC	E-2	S-2	G-3	Governance structure
Astro Intermediate Holding II Corp.	E-2	S-2	G-3	Governance structure
Authentic Brands Group LLC	E-2	S-2	G-3	Governance structure
B&G Foods Inc.	E-2	S-2	G-2	N/A
Bacardi Ltd.	E-2	S-2	G-2	N/A
Badger Finance LLC	E-2	S-2	G-3	Governance structure
Balrog Acquisition Inc.	E-2	S-2	G-3	Governance structure
BCPE North Star Holdings L.P.	E-2	S-2	G-3	Governance structure
BellRing Brands Inc.	E-2	S-2	G-2	N/A
Blue Ribbon LLC	E-2	S-2	G-3	Other governance factors
Boardriders Inc.	E-2	S-2	G-3	Governance structure
Breakaway Acquisition LLC	E-2	S-2	G-3	Governance structure
Brown-Forman Corp.	E-2	S-2	G-2	N/A
Brown Jordan Inc.	E-2	S-3	G-3	Governance structure; social capital
Calceus Acquisition Inc.	E-2	S-3	G-3	Health and safety; governance structure
Callaway Golf Co.	E-2	S-2	G-2	N/A

Table 2

## ESG Credit Indicators By Issuer For North America (cont.)

Issuer	Credit indicator			ESG credit factors
	E	S	G	
Campbell Soup Co.	E-2	S-2	G-2	N/A
Canada Goose Holdings Inc.	E-2	S-2	G-3	Governance structure
Canopy Growth Corp.	E-2	S-3	G-2	Other social factors
Carter's Inc.	E-2	S-2	G-2	N/A
CD&R Smokey Buyer Inc.	E-2	S-2	G-3	Governance structure
Central Garden & Pet Co.	E-2	S-2	G-2	N/A
Champ Acquisition Corp.	E-2	S-2	G-3	Governance structure
Chefs' Warehouse Inc.	E-2	S-3	G-2	Health and safety
CHG PPC Intermediate II LLC	E-2	S-2	G-3	Governance structure
Chobani Global Holdings LLC	E-2	S-2	G-3	Risk management, culture, and oversight
Church & Dwight Co. Inc.	E-2	S-2	G-2	N/A
City Brewing Co. LLC	E-2	S-2	G-2	N/A
Clorox Co.	E-2	S-2	G-2	N/A
Coca-Cola Co.	E-2	S-3	G-1	Health and safety; risk management, culture, and oversight
Coca-Cola Consolidated Inc.	E-2	S-3	G-2	Health and safety
Colgate-Palmolive Co.	E-2	S-2	G-1	Risk management, culture, and oversight
Conagra Brands Inc.	E-2	S-2	G-2	N/A
Conair Holdings LLC	E-2	S-2	G-3	Governance structure
Constellation Brands Inc.	E-2	S-2	G-2	N/A
Coty Inc.	E-2	S-2	G-2	N/A
Crocs Inc.	E-2	S-2	G-2	N/A
DEI Holdings Inc.	E-2	S-2	G-3	Governance structure
Del Monte Foods Inc.	E-2	S-2	G-2	N/A
Edgewell Personal Care Co.	E-2	S-2	G-2	N/A
Edward Don & Co. Holdings LLC	E-2	S-3	G-3	Health and safety; governance structure
Elevate Textiles Inc.	E-2	S-2	G-3	Governance structure
Energizer Holdings Inc.	E-2	S-2	G-2	N/A
Estee Lauder Cos. Inc.	E-2	S-2	G-2	N/A
Fender Musical Instruments Corp.	E-2	S-2	G-2	N/A
FFP Holdings Group Inc.	E-2	S-2	G-3	Governance structure
Flowers Foods Inc.	E-2	S-2	G-2	N/A
Fossil Group Inc.	E-2	S-2	G-3	Other governance factors
G-III Apparel Group Ltd.	E-2	S-2	G-2	N/A
General Mills Inc.	E-2	S-2	G-2	N/A
Gibson Brands Inc.	E-2	S-2	G-3	Governance structure

Table 2

## ESG Credit Indicators By Issuer For North America (cont.)

Issuer	Credit indicator			ESG credit factors
	E	S	G	
H&R Block Inc.	E-2	S-2	G-2	
H-Food Holdings LLC	E-2	S-2	G-3	Governance structure
Hanesbrands Inc.	E-2	S-2	G-2	N/A
Hayward Holdings Inc.	E-2	S-2	G-3	Governance structure
Herbalife Nutrition Ltd.	E-2	S-3	G-3	Human capital; risk management, culture, and oversight
Hershey Co.	E-2	S-2	G-2	N/A
High Liner Foods Inc.	E-2	S-2	G-2	N/A
Highline Aftermarket Acquisition LLC	E-2	S-2	G-3	Governance structure
Hillman Solutions Corp.	E-2	S-2	G-3	Governance structure
Hormel Foods Corp.	E-2	S-2	G-2	N/A
Hostess Brands Inc.	E-2	S-2	G-2	N/A
Instant Brands Holdings Inc.	E-2	S-2	G-3	Governance structure
International Flavors & Fragrances Inc.	E-1	S-2	G-2	Other environmental factors
INW Manufacturing LLC	E-2	S-2	G-3	Governance structure
Isagenix Worldwide Inc.	E-2	S-2	G-2	N/A
J.M. Smucker Co.	E-2	S-2	G-2	N/A
JHW Alpha Holdings Inc.	E-2	S-2	G-3	Governance structure
Johnson (S.C.) & Son Inc.	E-2	S-2	G-2	N/A
Journey Personal Care Holdings Ltd.	E-2	S-2	G-3	Governance structure
KC Culinate Holdings L.P.	E-2	S-3	G-3	Health and safety; governance structure
Kellogg Co.	E-2	S-2	G-2	N/A
Keurig Dr Pepper Inc.	E-2	S-2	G-2	N/A
Kimberly-Clark Corp.	E-2	S-2	G-2	N/A
KNB Holdings Corp.	E-2	S-2	G-3	Governance structure
KNEL Acquisition LLC	E-2	S-2	G-3	Governance structure
Knowlton Development Corp. Inc.	E-2	S-2	G-3	Governance structure
KNS Holdco LLC	E-2	S-2	G-3	Governance structure
Kontoor Brands Inc.	E-2	S-2	G-2	N/A
Kraft Heinz Co.	E-2	S-2	G-3	Risk management, culture, and oversight
Kronos Acquisition Holdings Inc.	E-2	S-2	G-3	Governance structure
Lakeshore Learning Materials LLC	E-2	S-2	G-3	Governance structure
Latham Group Inc.	E-2	S-2	G-3	Governance structure
Levi Strauss & Co.	E-2	S-2	G-2	N/A
LG Parent Holdco Inc.	E-2	S-2	G-3	Governance structure
Lifetime Brands Inc.	E-2	S-2	G-2	N/A

Table 2

## ESG Credit Indicators By Issuer For North America (cont.)

Issuer	Credit indicator			ESG credit factors
	E	S	G	
LS Parent Corp.	E-2	S-2	G-3	Governance structure
Mad Engine Global LLC	E-2	S-2	G-3	Governance structure
Mars Inc.	E-2	S-2	G-2	N/A
McCormick & Co. Inc.	E-2	S-2	G-2	N/A
MidOcean Hunter Holdings Inc.	E-2	S-2	G-3	Governance structure
MillerKnoll Inc. (Herman Miller Inc.)	E-2	S-2	G-2	N/A
Molson Coors Beverage Co.	E-2	S-2	G-2	N/A
Mondelez International Inc.	E-2	S-2	G-2	N/A
Monogram Food Solutions LLC	E-2	S-2	G-3	Governance structure
Nathan's Famous Inc.	E-2	S-2	G-2	N/A
Never Slip Topco Inc.	E-2	S-2	G-3	Governance structure; Risk management, culture, and oversight
New Era Cap LLC	E-2	S-2	G-2	N/A
New Trojan Parent Inc.	E-2	S-2	G-3	Governance structure
Newell Brands Inc.	E-2	S-2	G-2	N/A
Nike Inc.	E-2	S-2	G-1	Risk management, culture, and oversight
NSA International LLC	E-2	S-3	G-3	Human capital; governance structure
Oak Holdings LLC	E-2	S-3	G-3	Health and safety; governance structure
Osmosis Holdings L.P.	E-1	S-2	G-3	Waste and pollution; governance structure
Outdoor Home Services Holdings LLC	E-2	S-2	G-3	Governance structure
Outerstuff LLC	E-2	S-2	G-3	Governance structure
P&L Development Holdings LLC	E-2	S-2	G-3	Governance structure
PDC Wellness & Personal Care Co.	E-2	S-2	G-3	Governance structure
PepsiCo Inc.	E-2	S-2	G-2	N/A
Performance Food Group Inc.	E-2	S-2	G-2	N/A
Perrigo Co. PLC	E-2	S-2	G-2	N/A
PetIQ Inc.	E-2	S-2	G-2	N/A
pH Beauty Holdings I Inc.	E-2	S-2	G-3	Governance structure
Post Holdings Inc.	E-2	S-2	G-2	N/A
Premier Brands Group Holdings LLC	E-2	S-3	G-3	Health and safety; governance structure
Prestige Brands Inc.	E-2	S-2	G-2	N/A
Primo Water Corp.	E-2	S-2	G-2	N/A
Procter & Gamble Co.	E-2	S-2	G-1	Risk management, culture, and oversight
PVH Corp.	E-2	S-2	G-2	N/A
Ralph Lauren Corp.	E-2	S-2	G-2	N/A
Revlon Inc.	E-2	S-2	G-3	Governance structure; risk management, culture, and oversight

Table 2

## ESG Credit Indicators By Issuer For North America (cont.)

Issuer	Credit indicator			ESG credit factors
	E	S	G	
Reynolds Consumer Products Inc.	E-3	S-2	G-3	Waste and pollution; governance structure
Rodan & Fields LLC	E-2	S-2	G-2	N/A
Samsonite International S.A.	E-2	S-4	G-2	Health and safety
Scotts Miracle-Gro Co.	E-2	S-3	G-3	Health and safety; risk management, culture, and oversight
Serta Simmons Bedding LLC	E-2	S-2	G-3	Governance structure
Shearer's Foods LLC	E-2	S-2	G-3	Governance structure
Simply Good Foods Co.	E-2	S-2	G-2	N/A
SIWF Holdings Inc.	E-2	S-2	G-3	Governance structure
Sovos Brands Inc.	E-2	S-2	G-3	Governance structure
Spectrum Brands Holdings Inc.	E-2	S-2	G-2	N/A
Steelcase Inc.	E-2	S-3	G-2	Health and safety
Steinway Musical Instruments Inc.	E-2	S-2	G-2	N/A
Stitch Acquisition Corp.	E-2	S-2	G-3	Governance structure
SunOpta Inc.	E-2	S-2	G-2	N/A
Sysco Corp.	E-2	S-2	G-2	N/A
Tempur Sealy International Inc.	E-2	S-2	G-2	N/A
Terminix Global Holdings Inc.	E-2	S-3	G-3	Health and safety; other governance factors
TMK Hawk Parent Corp.	E-2	S-3	G-3	Health and safety; governance structure
Topgolf International Inc.	E-2	S-2	G-2	N/A
Traeger Inc.	E-2	S-2	G-3	Governance structure
TreeHouse Foods Inc.	E-2	S-2	G-2	N/A
Triton Water Holdings Inc.	E-2	S-2	G-3	Governance structure
Tupperware Brands Corp.	E-2	S-2	G-3	Other governance factors
Turning Point Brands Inc.	E-2	S-3	G-2	Health and safety
Under Armour Inc.	E-2	S-2	G-2	N/A
US Foods Inc.	E-2	S-2	G-2	N/A
Utz Brands Inc.	E-2	S-2	G-2	N/A
Valvoline Inc.	E-2	S-2	G-2	N/A
Varsity Brands Holding Co. Inc.	E-2	S-3	G-3	Health and safety; governance structure
VC GB Holdings I Corp.	E-2	S-2	G-3	Governance structure
Vector Group Ltd.	E-2	S-4	G-3	Health and safety; governance structure
VF Corp.	E-2	S-2	G-2	N/A
Vista Outdoor Inc.	E-2	S-4	G-2	Health and safety; social capital
Weber Inc.	E-2	S-2	G-3	Governance structure
Wells Enterprises Inc.	E-2	S-2	G-3	Other governance factors

Table 2

## ESG Credit Indicators By Issuer For North America (cont.)

Issuer	Credit indicator			ESG credit factors
	E	S	G	
Whirlpool Corp.	E-2	S-2	G-2	N/A
Whole Earth Brands Inc.	E-2	S-2	G-2	N/A
Wolverine World Wide Inc.	E-2	S-2	G-2	N/A
Woof Intermediate Inc.	E-2	S-2	G-3	Governance structure
Wrench Group LLC	E-2	S-2	G-3	Governance structure
WW International Inc.	E-2	S-2	G-2	N/A
YS Garments LLC	E-2	S-2	G-3	Governance structure

Table 3

## ESG Credit Indicators By Issuer For Latin America

Issuer	Credit indicator			ESG credit factors
	E	S	G	
Alfa S.A.B. de C.V.	E-2	S-2	G-2	N/A
Alicorp S.A.A.	E-2	S-2	G-2	N/A
Ambev S.A.	E-2	S-2	G-1	Risk management, culture, and oversight
Arca Continental S.A.B. de C.V.	E-2	S-2	G-2	N/A
Avon Products Inc.	E-2	S-2	G-3	Risk management, culture, and oversight
Becle S.A.B. de C.V.	E-2	S-2	G-2	N/A
Coca-Cola Femsa S.A.B. de C.V.	E-2	S-2	G-1	Governance structure; risk management, culture, and oversight
Controladora Mabe S.A. de C.V.	E-2	S-2	G-2	N/A
Corporacion Lindley S.A.	E-2	S-2	G-2	N/A
Embotelladora Andina S.A.	E-2	S-2	G-2	Other social factors
GJA Industrias S.A.	E-2	S-3	G-3	Others social factors; governance structure;
Grupo Bimbo S.A.B. de C.V.	E-2	S-2	G-2	N/A
Grupo Embotellador Atic S.A.	E-2	S-2	G-5	Risk management, culture, and oversight
Grupo Herdez S.A.B. de C.V.	E-2	S-2	G-2	N/A
Grupo Kaltex S.A. de C.V.	E-2	S-2	G-3	Risk management, culture, and oversight
Grupo Kuo S.A.B. de C.V.	E-3	S-2	G-2	Climate transition risk
Kimberly-Clark de Mexico S.A.B. de C.V.	E-2	S-2	G-2	N/A
Laticinios Bela Vista Ltda.	E-3	S-2	G-3	Physical risks; governance structure
Natura & Co Holding S.A. and Natura Cosméticos S.A.	E-2	S-2	G-2	N/A
Sigma Alimentos S.A. de C.V.	E-2	S-2	G-2	N/A

Table 4

## ESG Credit Indicators By Issuer For Europe, The Middle East, And Africa

Issuer	Credit indicator			ESG credit factors
	E	S	G	
AB Electrolux	E-2	S-2	G-2	N/A
Adidas AG	E-2	S-2	G-1	Risk management, culture, and oversight
Afflelou SAS	E-2	S-2	G-2	N/A
Almarai Co.	E-2	S-2	G-2	N/A
Amer Sports Holding 1 Oy	E-2	S-2	G-2	Other governance factors
Amphora Intermediate II Ltd.	E-2	S-2	G-3	Governance structure
Anadolu Efes Biracilik ve Malt Sanayii AS	E-2	S-2	G-2	N/A
Anheuser-Busch InBev S.A./N.V.	E-2	S-2	G-1	Risk management, culture, and oversight
Arcelik A.S.	E-2	S-2	G-2	N/A
Biscuit Holding S.A.S.	E-2	S-2	G-3	Governance structure
BK LC Lux Finco 1 Sarl	E-2	S-1	G-3	Health and safety; governance structure
Boparan Holdings Ltd.	E-3	S-2	G-2	Waste and pollution
Breitling Holdings S.a r.l.	E-2	S-2	G-3	Governance structure
British American Tobacco PLC	E-2	S-4	G-2	Health and safety
Care BidCo SAS	E-2	S-2	G-3	Governance structure
CatLuxe Sarl	E-2	S-2	G-3	Governance structure
CBR Service GmbH	E-2	S-2	G-3	Governance structure
Cerelia Participation Holding SAS	E-2	S-2	G-3	Governance structure
Coca-Cola HBC AG	E-2	S-3	G-2	Health and safety
Compagnie Financiere Richemont S.A.	E-2	S-2	G-1	Risk management, culture, and oversight
Danone	E-1	S-2	G-1	Waste and pollution; other environmental factors; risk management, culture, and oversight
Deoleo S.A.	E-3	S-2	G-3	Physical risks; governance structure
Diageo PLC	E-2	S-2	G-1	Risk management, culture, and oversight
Ecotone HoldCo III S.A.S.	E-2	S-2	G-3	Governance structure
EssilorLuxottica	E-2	S-2	G-2	N/A
Essity AB	E-2	S-2	G-1	Risk management, culture, and oversight
Evoca S.p.A.	E-2	S-2	G-3	Governance structure
Fage International S.A.	E-2	S-2	G-2	N/A
Firmenich International S.A.	E-1	S-2	G-2	Physical risks; waste and pollution
Fluidra S.A.	E-2	S-2	G-2	N/A
Frigoglass SAIC	E-2	S-2	G-3	Risk management, culture, and oversight
Froneri International Ltd.	E-2	S-2	G-2	N/A
Givaudan S.A.	E-1	S-2	G-2	Physical risks; waste and pollution
Golden Goose SpA	E-2	S-2	G-3	Governance structure
Heineken N.V.	E-2	S-2	G-1	Risk management, culture, and oversight

Table 4

## ESG Credit Indicators By Issuer For Europe, The Middle East, And Africa (cont.)

Issuer	Credit indicator			ESG credit factors
	E	S	G	
Henkel AG & Co. KGaA	E-2	S-2	G-1	Risk management, culture, and oversight
IM Growth SAS	E-2	S-2	G-3	Governance structure
Imperial Brands PLC	E-2	S-4	G-2	Health and safety
International Design Group SpA	E-2	S-2	G-3	Governance structure
JDE Peet's N.V.	E-2	S-2	G-2	N/A
Kering S.A.	E-2	S-2	G-2	N/A
Keter Group B.V.	E-2	S-2	G-3	Governance structure
L'Oréal	E-2	S-2	G-1	Risk management, culture, and oversight
LSF9 Balta Issuer S.a.r.l.	E-2	S-2	G-2	N/A
LVMH Moët Hennessy Louis Vuitton S.E.	E-2	S-2	G-1	Risk management, culture, and oversight
Marcolin SpA	E-2	S-2	G-3	Governance structure
Nestle S.A.	E-2	S-2	G-1	Risk management, culture, and oversight
Nobel Bidco B.V.	E-2	S-2	G-3	Governance structure
Nomad Foods Ltd.	E-2	S-2	G-2	N/A
Ontex Group N.V.	E-2	S-2	G-2	N/A
Oriflame Investment Holding PLC	E-2	S-2	G-2	N/A
Pernod Ricard S.A.	E-2	S-2	G-1	Risk management, culture, and oversight
Philip Morris International Inc.	E-2	S-3	G-2	Health and safety
Platform Bidco Ltd.	E-2	S-2	G-3	Governance structure
Premier Foods PLC	E-2	S-2	G-2	N/A
Reckitt Benckiser Group PLC	E-2	S-2	G-2	N/A
Refresco Group B.V.	E-2	S-2	G-2	Health and safety
SEB SA	E-2	S-2	G-2	N/A
Sigma HoldCo BV	E-2	S-2	G-3	Governance structure
Signature Foods B.V.	E-2	S-2	G-3	Governance structure
Signify N.V.	E-1	S-2	G-2	Climate transition risk; waste and pollution
Sunshine Luxembourg VII S.a.r.l.	E-2	S-2	G-3	Governance structure
Swedish Match AB	E-2	S-3	G-2	Social capital
TCG AcquisitionCo BV	E-2	S-2	G-3	Governance structure
Ulker Biskuvi Sanayi A.S.	E-2	S-2	G-2	Other governance factors
Unilever PLC	E-2	S-2	G-1	Risk management, culture, and oversight
Victoria PLC	E-2	S-2	G-2	N/A
Wepa Hygieneprodukte GmbH	E-2	S-2	G-2	N/A



Table 5

## ESG Credit Indicators By Issuer For Asia-Pacific

Issuer	Credit indicator			ESG credit factors
	E	S	G	
Ajinomoto Co. Inc.	E-2	S-2	G-1	Risk management, culture, and oversight
Bright Food (Group) Co. Ltd.	E-2	S-2	G-3	Risk management, culture, and oversight
Bright Food International Ltd.	E-2	S-2	G-3	Risk management, culture, and oversight
Casio Computer Co. Ltd.	E-2	S-2	G-2	N/A
China Mengniu Dairy Co. Ltd.	E-2	S-2	G-2	N/A
Fufeng Group Ltd.	E-2	S-2	G-3	Governance structure
Health and Happiness (H&H) International Holdings Ltd.	E-2	S-2	G-2	N/A
Inner Mongolia Yili Industrial Group Co. Ltd.	E-2	S-2	G-2	N/A
Japan Tobacco Inc.	E-2	S-4	G-1	Risk management, culture, and oversight; Health and safety
Midea Group Co. Ltd.	E-2	S-2	G-2	N/A
Snacking Investments HoldCo Pty Ltd.	E-2	S-2	G-3	Governance structure
Suntory Holdings Ltd.	E-2	S-2	G-2	N/A
Tingyi (Cayman Islands) Holding Corp.	E-2	S-2	G-2	N/A
Uni-President Enterprises Corp.	E-2	S-2	G-2	N/A

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